KRISTIN E. IZUMI-NITAO EXECUTIVE DIRECTOR



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STATE OF HAWAI'I CAMPAIGN SPENDING COMMISSION

235 SOUTH BERETANIA STREET, ROOM 300 HONOLULU, HAWAII 96813

February 6, 2020

TO:

The Honorable Karl Rhoads, Chair Senate Committee on Judiciary

The Honorable Jarrett Keohokalole, Vice Chair

Senate Committee on Judiciary

Members of the Senate Committee on Judiciary

FROM:

Kristin Izumi-Nitao, Executive Director 19 -

Campaign Spending Commission

SUBJECT:

Testimony on S.B. No. 3070, Relating to Campaign Finance

Friday, February 7, 2020 10:00 a.m., Conference Room 016

Thank you for the opportunity to testify on this bill. The Campaign Spending Commission ("Commission") appreciates the intent of this bill and offers the following comments.

This bill increases the expenditure limits for elective offices by amending subsection (d) of Hawaii Revised Statutes ("HRS") §11-423 by increasing the amounts by ten percent that is to be multiplied by the number of voters in each respective district to calculate the expenditure limits for each office. The bill also increases the tax check-off amount by 66.66% that tax payors may designate to the Hawaii Election Campaign Fund ("HECF") on their state income tax from \$3 to \$5, for individual returns, and from \$6 to \$10 for joint returns.

By increasing the expenditure limits for offices by ten percent, under HRS §11-425, the maximum amount of public funds available for all offices, except for the Board of Trustees for the Office of Hawaiian Affairs ("OHA"), will increase by ten percent. Per statute, the maximum amount of public funds for OHA candidates will remain at \$1,500 per election. The balance in

¹S.B. No. 2388, which was heard and passed out of the Senate Committee on Hawaiian Affairs on February 4, 2020, places OHA in the same category as the offices of Senator, Representative,

Testimony of the Campaign Spending Commission on S.B. No. 3070 February 6, 2020 Page 2

the HECF, as of December 31, 2019 is \$1,106,169.62. For the last five fiscal years, revenue from the state income tax check-off has ranged from \$145,524 (FY 2019) to \$195,310 (FY 2018).

County Council, and Prosecuting Attorney, for the purposes of calculating the maximum amount of public funding, which at this time is fifteen percent of the expenditure limit.

DAVID Y. IGE GOVERNOR

JOSH GREEN M.D. LT. GOVERNOR



RONA M. SUZUKI DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF TAXATION

P.O. BOX 259 HONOLULU, HAWAII 96809 Phone: (808) 587-1540 / Fax: (808) 587-1560 Email: Tax.Directors.Office@hawaii.gov

To: The Honorable Karl Rhoads, Chair;

The Honorable Jarrett Keohokalole, Vice Chair; and Members of the Senate Committee on Judiciary

From: Rona M. Suzuki, Director

Department of Taxation

Re: S.B. 3070, Relating to Campaign Finance

Date: Friday, February 7, 2020 Time: 10:00 A.M.

Place: Conference Room 016, State Capitol

The Department of Taxation (Department) appreciates the intents of S.B. 3070 and offers the following comments.

Section 3 of S.B. 3070 amends section 235-102.5(a), Hawaii Revised Statutes, by increasing the amount that a taxpayer may designate to be paid over to the Hawaii Election Campaign Fund (HECF) from \$3 to \$5 for each taxpayer. Section 3 of the measure applies to taxable years beginning after December 31, 2020.

The Department notes that taxpayers designated a total of \$146,000 in FY 2019 from the general fund to HECF. The Department will be able to administer the measure with its current effective date.

Thank you for the opportunity to provide comments.



49 South Hotel Street, Room 314 | Honolulu, HI 96813 www.lwv-hawaii.com | 808.531.7448 | voters@lwv-hawaii.com

COMMITTEE ON JUDICIARY FRIDAY, 2/7/20, 10 AM, Room No. 016

SB3070, RELATING TO CAMPAIGN FINANCE **TESTIMONY**

Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair Rhoads, Vice-Chair Keohokalole and Committee Members:

The League of Women Voters of Hawaii supports this bill, which makes the partial public funding option more attractive to candidates for public office, by increasing the amounts of money an eligible candidate who agrees to spending limits, will receive; and increases the voluntary taxpayer checkoff contribution amount from \$3 to \$5, to be deposited in the Hawaii Election Campaign

The League of Women Voters, both nationally and in Hawaii, believes public financing of election campaigns is a valuable way to decrease the influence of wealthy individuals or corporations and helps to create a fair "playing field" among candidates.

Since the existing amounts were established in 1995, it is high time to update them to ensure the continued viability of the partial public campaign financing program.

Thank you for the opportunity to submit testimony.





Holding Power Accountable

Statement Before The SENATE COMMITTEE ON JUDICIARY Friday, February 7, 2020 10:00 AM

State Capitol, Conference Room 016

in consideration of SB 3070 RELATING TO CAMPAIGN FINANCE.

Chair RHOADS, Vice Chair KEOHOKALOLE, and Members of the Senate Judiciary Committee

Common Cause Hawaii supports the SB 3070, which would increase (1) the maximum amount of public funds available in each election and (2) the amount of voluntary state income tax check-off contributions that may be designated for the Hawaii election campaign fund beginning on 1/1/2021.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening democracy through improving our campaign finance system with laws that amplify the voices of everyday Americans by advocating for money in politics solutions that employ small-dollar donors to make an impact in campaigns and public financing of our elections.

The public funds available have not changed since 1995. Since that time, elections have only gotten more and more expensive, and we have seen only more and more monies flowing into them. Increasing the amounts of public financing will provide a more competitive playing field for candidates who voluntarily agree to limit campaign expenditures.

While the proposed increase under SB 3070 is modest, it is a necessary, small step in the right direction. We need to stop lamenting the influence the of dark monies in our political processes and take action to address it. This is a first baby step.

Further, SB 3070 will also provide for a modest increase to the Hawaii Election Campaign Fund.

Thank you for the opportunity to testify in support of SB 3070, and Common Cause Hawaii urges you to pass SB 3070 out of your Committee. If you have further questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma Executive Director, Common Cause Hawaii

Submitted on: 2/5/2020 8:19:24 PM

Testimony for JDC on 2/7/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Donna Ambrose	Individual	Support	No

Comments:

I support increasing funds available for public campaign financing. The amount has remained the same for 25 years, whereas costs to run a campaign have risen steeply. Additional public financing can help attract fresh faces who don't have campaign war chests to run for office.

Submitted on: 2/5/2020 1:08:48 PM

Testimony for JDC on 2/7/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Randy Ching	Individual	Support	No	

Comments:

Aloha Chair Rhoads, Vice Chair Keohokalole, and members of the committee,

I support SB3070. The best way to ensure that we get elected officials accountable to us is through public financing of elections. Ideally, we need 100% public funding of elections, but this is a good start.

Please pass SB3070. Mahalo for the opportunity to testify.

Randy Ching

Honolulu

<u>SB-3070</u> Submitted on: 2/5/2020 1:18:55 PM

Testimony for JDC on 2/7/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott Foster	Individual	Support	No

Comments:

Mahalo for supporting SB3070

Scott Foster

Communications Director

<u>SB-3070</u> Submitted on: 2/5/2020 7:43:27 PM

Testimony for JDC on 2/7/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Golojuch Jr	Individual	Support	No

Comments:

Submitted on: 2/6/2020 6:54:33 AM

Testimony for JDC on 2/7/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Rhoads and Members of the Senate Committee on Judiciary,

I am writing in support of SB3070, which would increase (1) the maximum amount of public funds available in each election and (2) increase the amount of voluntary state income tax check-off contributions that may be designated for the Hawaii election campaign fund beginning on 1/1/2021.

The public funds available have not changed since 1995. Since that time, elections have only gotten more and more expensive, and we have seen only more and more monies flowing into them. Increasing the amounts of public financing will provide a more competitive playing field for candidates who voluntarily agree to limit campaign expenditures.

While the proposed increase under SB 3070 is modest, it is a necessary, small step in the right direction. We need to stop lamenting the influence the of dark monies in our political processes and take action to address it. This is a first baby step.

Further, SB 3070 will also provide for a modest increase to the Hawaii Election Campaign Fund.

Please pass SB3070.

Mahalo,

Caroline Kunitake

Submitted on: 2/5/2020 9:52:54 PM

Testimony for JDC on 2/7/2020 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
tlaloc tokuda	Individual	Support	No	

Comments:

Ever since Citizen United corporations and the rich have made a mockery of our 1 (wo)man 1 vote. I supports the SB 3070, which would increase (1) the maximum amount of public funds available in each election and (2) increase the amount of voluntary state income tax check-off contributions that may be designated for the Hawaii election campaign fund beginning on 1/1/2021.

The public funds available have not changed since 1995. Since that time, elections have only gotten more and more expensive, and we have seen only more and more monies flowing into them. Increasing the amounts of public financing will provide a more competitive playing field for candidates who voluntarily agree to limit campaign expenditures.

While the proposed increase under SB 3070 is modest, it is a necessary, small step in the right direction. We need to stop lamenting the influence the of dark monies in our political processes and take action to address it. This is a first baby step.